



The State of South Carolina
Department of Consumer Affairs

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Celebrating Over 30 Years of Public Service

TO: All Licensed Mortgage Brokers

FROM: Brandolyn Thomas Pinkston, Administrator,
South Carolina Department of Consumer Affairs

RE: Nationwide Mortgage Licensing System

DATE: June 11, 2009

The South Carolina Department of Consumer Affairs is proud to announce that we will begin using the CSBS/AARMR Nationwide Mortgage Licensing System (NMLS) starting on January 1, 2010. NMLS, developed through the Conference of State Bank Supervisors (CSBS) and the American Association of Residential Mortgage Regulators (AARMR), will allow your company to conveniently manage its mortgage license(s) in an electronic format through a secure website.

The Nationwide Mortgage Licensing System is online at: www.stateregulatoryregistry.org/NMLS

South Carolina Department of Consumer Affairs Transition Plan (Copy Attached)

As a part of the implementation of NMLS, each company holding a mortgage broker license must create a company record (Form MU1) in NMLS for themselves and a record for each branch (Form MU3) holding a mortgage broker branch or satellite location license and electronically submit it to the South Carolina Department of Consumer Affairs between January 1, 2010 and March 31, 2010.

NMLS is available immediately for you to begin completing your record.

Completing and submitting this record through NMLS will take the place of the renewal process for loan originators this year. A copy of South Carolina Department of Consumer Affairs transition plan can be found on the NMLS website at www.stateregulatoryregistry.org/NMLS.

How to Access NMLS

In order to gain access to NMLS for the first time you must complete a **Company Account Request Form** and identify a *Primary Account Administrator* and a *Secondary Account Administrator*. This form can be submitted electronically through the NMLS website in the "Getting Started" section. This form needs only to be submitted once per company, regardless of the number of NMLS participating states in which you are licensed. **IF YOUR COMPANY ALREADY HAS ACCESS TO NMLS, THEN YOU DO NOT NEED TO DO THIS STEP.**

TELEPHONE (AREA CODE 803)
ADMINISTRATOR
734-4197
ACCOUNTING
734-4264

PUBLIC INFORMATION
734-4191
E-mail: SCDCA@SCCONSUMER.GOV
www.sccconsumer.gov

CONSUMER ADVOCACY
734-4200
(1) FAX: 734-4287
(2) FAX: 734-4286

INVESTIGATORS
734-4236
ENFORCEMENT
734-4236

CONSUMER COMPLAINTS
734-4200
WATS 1-800-922-1594
VOICE/TT - 1-800-735-2905

TELETIPS (803) 734-4215 OR 1 (888) 734-4215 (TOLL FREE IN S.C.).

Once you complete and submit this form, the *Primary Account Administrator* will receive NMLS login information within 3 business days. The *Primary Account Administrator* for your company will have full rights to (1) access the System, (2) submit information to this Agency and other participating state mortgage regulators, and (3) set-up other company users in the System. Instructions and tutorials on how to access and use the System are also available on the NMLS website.

Forms to Complete and Fees

Once you are able to access NMLS, you will need to submit the following MU Forms through NMLS to South Carolina Department of Consumer Affairs by March 31, 2010. Instructions and tutorials on how to complete these forms are available online at the website listed below.

1. *Licensed companies* submit a **Form MU1**
2. Companies submit for each **Control Person**¹ (such as an executive officer, qualified individual/managing principal and branch manager) a **Form MU2**, as part of their Form MU1 filing.
3. Companies submit for each **Licensed Branch** a **Form MU3**
4. Companies submit a **Form MU4** for all **Loan Originators**¹ or request mortgage loan originators submit themselves and have the company "sponsor" their license.

You may begin completing these forms prior to January 1, 2010, but will not be able to submit them to the South Carolina Department of Consumer Affairs until that date.

You will receive communication for your Loan Originators outlining the process and timelines for additional requirements which must be met in order to meet SAFE Act requirements for licensure. Loan Originators will receive a license in an "Approved – Conditional" status while requirements are satisfied and approved. Full "Approval" will be issued once all additional requirements have been met.

Additional requirements for Mortgage Loan Originators will include;

- *Pre-licensure certification*
- *A Passing Score on a National Mortgage Test*
- *Satisfactory criminal background check including finger prints*
- *South Carolina Department of Consumer Affairs satisfactory review of a credit report*
- *Sponsorship request received by company*

If you have submitted these forms in another state, then you **do not need to re-enter your company, branch or loan officer records** into NMLS. You will only need to identify the appropriate license type in South Carolina and complete a few state specific fields.

Costs

¹ Before a Control Person's Form MU2 and/or Mortgage Loan Originator's Form MU4 is submitted to the South Carolina Department of Consumer Affairs, the subject individual must first attest to the information contained in the form.

For companies and individuals transitioning an existing license onto NMLS, a system processing fee of \$100 per company license, \$20 per licensed branch location, and \$30 per mortgage loan originator license will be required to be paid electronically through NMLS upon submission. The NMLS processing charges are applied on a per license per state basis.

On an ongoing basis, NMLS will annually charge a processing fee of \$100 per company license, \$20 per licensed branch location, \$30 per loan originator license, and \$30 each time a mortgage loan originator changes employment.

There are no other NMLS processing fees. These processing fees pay for NMLS' operations, including licensee system access 362 days per year, ability to maintain, renew and run reports on your licenses, and call center support.

The transition to the NMLS coincides with the renewal period for loan originators, therefore loan originators will be required to renew their license as they transition and pay the renewal fee per licensee of \$50 in addition to the processing fees above.

NMLS Training

The South Carolina Department of Consumer Affairs will be participating in a Training Workshop Audio Program & Webinar conducted by the State Regulatory Registry LLC for South Carolina licensees. This webinar will provide licensees and applicants with tips on using NMLS to transition and manage one or more licenses. The fee for this workshop is \$75. If you desire to participate in the workshop furnish us with your e-mail address and you will be notified of the dates.

NMLS Website

The NMLS website (www.stateregulatoryregistry.org/nmls) provides step-by-step instructions on how to access the system, guides on how to complete the MU Forms, each state's transition plans and requirements, tutorials, current and future participating states, system alerts, system processing fees and general background information.

If you have any questions feel free to contact your companies licensing specialist at 803-734-4200 or by email at SCmortgagebroker@scconsumer.gov.

Transition Plan For the NMLS&R: South Carolina Department of Consumer Affairs

Current Company Licensees:

Companies holding a mortgage broker license in South Carolina have until April 30, 2010 to complete and submit through NMLS a Form MU1 for their company and a Form MU2 for each of their control persons.

Additionally, for each branch holding a mortgage broker license, a company must complete and submit through NMLS a Form MU3 by April **30, 2010**.

It is important that current licensees have all of their South Carolina license numbers available when completing and submitting their Form MU1 and Form MU3(s).

Any licensee that needs to amend or surrender a license, establish or terminate a sponsorship of a mortgage loan officer license, or other action previously completed in paper form, from January 1, 2010 onward must complete these actions within NMLS. Paper forms will not be accepted after November 30, **2009**.

We encourage you to update your information with our office by November 30, 2009, so at the time of transition there will be no pending changes to submit.

Note: If you have submitted these forms in another state, then you *do not need to re-enter your company record* into NMLS. You will only need to identify the appropriate license in South Carolina and complete a few state specific fields.

Current Mortgage Loan Originators:

Mortgage Loan Originators should consult with their employer before logging into the NMLS and completing a Form MU4.

Licensed loan originators that are employees of Mortgage Brokers in South Carolina have until March 31, 2010 to complete and submit a Form MU4 through the NMLS. Companies employing loan originators are required to Sponsor their license in NMLS. Be advised that the Company MU1, the Branch Location MU3 (when the Loan originator works from a branch) and the Loan originator MU4 must all be submitted prior to the company Sponsoring the loan originators license.

It is important that current licensees have their South Carolina license number available when completing and submitting their Form MU4.

Note: If you have submitted a Form MU4 in another state, then you *do not need to re-enter your record* into NMLS. You will only need to identify the appropriate license in South Carolina and complete a few state specific fields.

Loan originators can complete and submit Form MU4 themselves or their company can complete Form MU4 and have the loan originator log in to the NMLS and electronically attest to its accuracy.

Loan originators licensed prior to 7/30/09 must meet the additional requirements listed below by **December 31, 2010**. Mortgage Loan originators licensed after 7/30/09 must meet the additional requirements listed below by **July 30, 2010**.

Additional requirements will include;

- *Pre-licensure education certification*
- *A Passing Score on a National Mortgage Test*
- *A Passing Score on a State Mortgage Test*
- *Satisfactory South Carolina and federal criminal background check including finger prints*
- *South Carolina satisfactory review of a credit report*
- *License Sponsorship in NMLS by your company*

Continuing Education:

Current licensees, both Mortgage Broker and Loan Originators

All currently approved courses will be valid for renewals. This includes broker renewals beginning on August 1, 2009 through September 30, 2009 and loan originator renewal/transition beginning January 1, 2010 through March 31, 2010.

Continuing Education Providers

All currently approved providers and their approved courses are valid through the renewal/transition cycles ending on March 31, 2010. Course providers must obtain approval through the NMLS beginning on June 22, 2009 for their students requiring continuing education after the Department's transition to the NMLS. No new providers or courses can be approved by the Department pursuant to the federal SAFE Mortgage Licensing Act.